ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

MAY 30 1996

In the Matter of	)	
Implementation of the Local Competition Provisions in the Telecommunications Act of 1996	)	CC Docket No. 96-98

To: The Commission

REPLY COMMENTS OF AMERITECH

Thomas P. Hester
Kelly R. Welsh
John T. Lenahan
Mike Pabian
Larry Peck
Gary Phillips

Ameritech
South Wacker Drive
Chicago, IL 60606
(312) 750-5367

Antoinette Cook Bush
Linda G. Morrison

Skadden, Arps, Slate,
Meagher & Flom
1440 New York Avenue, N.W.
Washington, D.C. 20005
(202) 371-7230

Dated: May 30, 1996

No. of Copies rec'd 0+9
List ABCDE

TABLE OF CONTENTS

PAGE

PAGE

SUMMARY

A broad range of parties agree that the public interest would be best served if the Commission adopted core requirements that will ensure that operationally viable and economically efficient local exchange competition develops nationwide. Many also agree that such rules should not be so exhaustive in scope as to effectively preempt the negotiation process or eliminate state flexibility.

Contrary to the claims of some parties, successful negotiations are not only possible; they are a reality. Ameritech and MFS have successfully negotiated comprehensive arguments which present a successful model of the level of interconnection and unbundling that a competing carrier with a history of providing local service requires to be a viable local competitor. The Commission should use these contracts as a guide in defining core requirements and should refrain from mandating overly detailed requirements. Interconnection and unbundling beyond core requirements should be developed through the negotiation process.

Moreover, in promulgating implementing regulations, the Commission should recognize that the interconnection and unbundling obligations of section 251 were not created in a vacuum. The Commission must balance the competing social policies of encouraging efficient local competition and maintaining univer-

sally available, quality services at affordable rates. In this regard, the telecommunications industry has an inherited price structure and regulatory obligations that cannot be ignored, at least not until new universal service mechanisms are in place.

Although local competition, universal service, and access reform are interrelated, the congressional mandate requires that the Commission first address regulations that implement the local competition provisions of the 1996 Act. And thus, there will be an interim period during which universal service subsidies will not yet be explicit and access pricing structures will not reflect underlying costs. Until local competition, universal service, and access charges are aligned no carrier should be allowed to undermine the social policy of maintaining quality service at affordable rates through tortured statutory construction and regulatory arbitrage. Carriers therefore must not be allowed to frustrate this realignment and re-balancing of social polices mandated by the 1996 Act by purchasing unbundled network elements for the purpose of originating and terminating toll traffic and thereby avoiding access charges.

To achieve the goal of meaningful local exchange competition that enhances consumer welfare, federal pricing standards must be consistent with sound economics. As the Commission itself and a multitude of commenting parties have recognized, incumbent local exchange carriers ("LECs") must be permitted to

recover all relevant costs -- including incremental, joint and common and some residual costs. Otherwise, if competing carriers do not pay their share of costs, incumbent LECs will be forced to shift their unrecovered costs onto their remaining customers or else will be unable to afford maintenance -- much less technological upgrades -- of their networks.

In addition, in order to maintain their networks, which comprise the backbone of the telecommunications infrastructure in the United States, incumbent LECs must be allowed to recover the so-called residual costs of their network investments. Claims that only the costs of "efficient cost minimizing competitors" should be recovered ignore that no carrier -- not even AT&T or MCI -- has a completely modern network based on state-of-the-art technology. This need to recover residual costs is further aggravated by past regulatory policies that have imposed artificially slow depreciation schedules and carrier-of-last-resort obligations on incumbent LECs.

Finally, the 1996 Act explicitly permits reasonable conditions and limitations on resale. Those parties who urge the Commission to prohibit any limitations on resale defy the plain language of the statute and existing Commission and state precedent.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
Implementation of the Local Competition Provisions in the Telecommunications Act of 1996	)	CC Docket No. 96-98

To: The Commission

REPLY COMMENTS OF AMERITECH

Ameritech respectfully submits its reply comments in response to the Commission's *Notice of Proposed Rulemaking* ("*NPRM*") in the above-captioned proceeding. This reply responds to comments regarding the required core set of network elements, pricing standards, and resale. This reply also focuses on the significant implications section 251 implementation will have on the public interest, increased long distance competition, and the development of efficient local competition.

I. INTRODUCTION

The overwhelming consensus of the commenting parties is that one of the goals of the Telecommunications Act of 1996 (the "1996 Act") is the promotion of efficient facilities-based compe-

tition.[1] Encouraging efficient facilities-based competition serves the public interest not only through development of new and innovative services and features, network innovation, and enhanced price competition, but also through the expansion of resale opportunities for other suppliers resulting from the emergence of competing wholesale suppliers (*i.e.*, the new facilities-based local carriers). Accordingly, efficient competition, consistent with maintaining and expanding universal service, should serve as the overriding policy goal when promulgating national regulations, including pricing standards, designed to facilitate the emergence of operationally viable and economically efficient competition.

Many diverse commenting parties also agree that viable competition in the local segment of the telecommunications marketplace can be achieved without overly detailed regulations or micromanagement of the negotiations process. The recently announced, voluntarily negotiated agreement between Ameritech and

---

[1] See, e.g., U.S. Dep't of Justice ("DOJ") Comments at 6, 23, 29; Time Warner Communications Holdings, Inc. ("Time Warner") Comments at 48, 69; Tele-Communications, Inc. ("TCI") Comments at 2; MFS Communications Co., Inc. ("MFS") Comments at 1-5; Consumer Federation of America Comments at 17, 48-49; Illinois Commerce Comm'n ("ICC") Comments at 38-39; Colorado Pub. Util. Comm'n Comments at 13-14, 20; National Cable Television Assoc., Inc. ("NCTA") Comments at 26-30; Ameritech Comments at 4-5; U.S. West, Inc. Comments at 19-20; NYNEX Comments at 2, 5-6; SBC Communications Comments at 3, 37; United States Telephone Assoc. ("USTA") Comments at 2, 32, 60, 63-64.

MFS underscores that commercially viable interconnection and access to network elements can be achieved without excessive regulations.

Commenting parties that have a history of local entry, such as MFS and Teleport, have urged the Commission not to mandate excessively detailed regulations. These parties, which have the most experience with local interconnection and unbundling, have proposed a much more realistic set of regulations, recognizing that business plans of competitors differ and the need for flexibility. In sharp contrast, the interexchange carriers ("IXCs") are demanding an overreaching and overly complex set of requirements that would take months, if not years, to satisfy, and that are inconsistent with the desire of Congress to promote rapid entry of competitors into all segments of the telecommunications marketplace.[2]

In these reply comments, Ameritech will address proposals of other parties based upon the following principles. First, Ameritech will show that, as envisioned in section 252 of the 1996 Act, negotiations between carriers can work and should be used as the primary vehicle for evolution of the marketplace.

---

[2] This conspicuous disagreement over the required scope of federal regulations suggests that the IXCs may be using the present rulemaking proceeding as a means of furthering their own agenda: namely, postponement of additional competition in the long distance segment of the marketplace.

The Commission should grant the industry the flexibility to build upon principles established in the 1996 Act.

Second, based upon the record, it is clear which interconnection points and unbundled network elements are technically feasible and needed to provide competitive services, and for which interconnecting carriers are willing to pay cost-based rates. These arrangements should be specified as the Commission's core list and used as the basis of compliance with the section 271 competitive checklist. Additional network elements should be addressed through the request and negotiation process provided for in section 252.

Third, the Commission should resist demands that interconnection, unbundling, reciprocal compensation, and resale be provided at rates that do not recover relevant costs, including joint and common costs, plus a reasonable profit. Further, like all other services provided by incumbent local exchange carriers ("LECs"), these services should pay an appropriate contribution toward historic and social policy costs. Regardless of the pretext, the bottom line is that proposals for unjustified price breaks are inconsistent with the 1996 Act and would lead to gross inefficiency. If carriers are properly compensated for what they provide, they will have the proper incentive to engage in good faith negotiations and will behave in an economically rational manner.

Finally, reasonable conditions on resale and unbundling are necessary to protect consumer welfare, to preserve regulatory policies, and to promote competition. These conditions are in the public interest and necessary to achieve the goals of the 1996 Act.

II. NEGOTIATIONS WORK AND SHOULD NOT BE PREEMPTED.

A. Successful Negotiations Have Already Been Completed.

In its Comments, Ameritech urged the Commission to take a balanced approach in implementing the 1996 Act -- one that harmonizes the roles given by Congress to incumbent and competitive LECs, federal and state regulators, and federal courts. To this end, Ameritech urged the Commission to: (1) adopt specific, core requirements that would ensure that meaningful local exchange competition can develop nationwide, including the less proactive states; and (2) facilitate, not preempt, negotiations between incumbent LECs and requesting carriers over the remaining terms of interconnection, subject to state and judicial review.[3]

Recent events demonstrate that the negotiation process does in fact work. Even without regulations implementing section 251, Ameritech recently finalized comprehensive, multi-year interconnection agreements with MFS, the nation's largest facilities-based provider of competitive local exchange services.

---

[3] See Ameritech Comments at 4-8; see also Michigan Pub. Serv. Comm'n Staff ("MPSC Staff") Comments at 3-5.

These innovative agreements address every key obligation imposed by section 251 -- including interconnection and reciprocal compensation, unbundled access to network elements, resale, and number portability.[4] These agreements demonstrate that competitors can successfully negotiate, without excessive federal regulation, and reach an agreement that best meets their business needs and also promotes the congressional goal of market-driven competition.

In addition, Southwestern Bell Mobile Systems, Inc. (d/b/a Cellular One-Chicago) has entered into an interconnection agreement, pursuant to section 251, with Ameritech Illinois. Since enactment of the 1996 Act, Ameritech has also entered into two resale agreements with U.S. Network (one for Michigan and the other for Ohio) and a resale agreement with Communications Buying Group in Ohio.

While many commenting parties share the view that negotiations can work, others ask the Commission to eclipse the role of negotiations by adopting uniform, national rules that

---

[4] Significantly, while this interconnection agreement meets the needs of MFS and is available to any other competitor, it might not meet the needs of other local exchange competitors who might have a different business plan from MFS. Those other providers may seek additional concessions in one area, while offering concessions that MFS could not agree to in another. This is the nature of negotiations. See generally New York Dep't of Pub. Serv. Comments at 23-24, 28-29, 33 (touting the success of negotiations, subject to state oversight, in New York).

comprehensively address, not just core federal requirements, but virtually every issue that could arise during the course of negotiations.[5]

The principle rationale offered for detailed national rules is that incumbent LECs have excessive bargaining power which dooms the negotiation process to failure.[6] These arguments ignore critical provisions of the 1996 Act which, *inter alia*: (1) deny incumbent LECs the ability to control negotiations; (2) impose specific deadlines for arbitration and state review of interconnection agreements; (3) empower arbitrators with authority to secure any information they deem necessary; (4) provide the incentive for BOCs to negotiate interconnection agreements by tying in-region interLATA authority to checklist compliance; and (5) require that interconnection agreements be generally available. They also ignore the Commission's tentative conclusion, which Ameritech supports, that unbundling of a particular network element by one LEC evidences the technical feasibility of providing the same or similar element on an unbundled basis in another,

---

5 See generally MCI Telecommunications Corp. ("MCI") Comments; AT&T Corp. ("AT&T") Comments.

6 AT&T questions Congress's wisdom by stating: "negotiations will be exercises in futility . . . ." AT&T Comments at 7. AT&T is in a position to make this a self-fulfilling prophecy by ensuring that negotiations in which it is involved fail through its excessive demands.

similarly structured LEC network.[7] Therefore, if one party fails to negotiate in good faith, Congress provided the other party with adequate means to achieve a quick, impartial resolution.

Some parties also argue that, without uniform rules, carriers will be forced to deal with varying state regulatory interpretations, which will delay and impede the development of competition and deny them the economies of efficient network engineering.[8] Aside from the fact that considerable state-specific consideration is what the 1996 Act intended, this argument is specious. The issue is not whether the Commission should adopt rules at all; the issue is how far those rules must go -- and, in particular, whether those rules must anticipate, and impose as mandated requirements, every specialized desire of every interconnector. Ameritech has advocated that the Commission establish the basic requirements needed to ensure that any interconnector can enter the local exchange market and compete on viable terms. If the Commission establishes such rules, there will be uniformity in all states as to the critical issues that are prerequisites for effective local exchange competition. Indeed, even in the absence of such rules, relying on the frame-

---

[7] See Ameritech Comments at 34.

[8] See, e.g., DOJ Comments at 12; American Communications Services, Inc. Comments at 3; AT&T Comments at 9.

work set by the terms of the 1996 Act, MFS and Ameritech were able to negotiate agreements spanning five states.

Absolute uniformity as to every issue that might arise is neither necessary nor in the public interest. As the New York Department of Public Service states:

> The Commission itself recognized that there may be variations in technological, geographic, or demographic conditions in local markets, and that explicit national standards might limit the states' ability to address the policy concerns raised by these variations. . . . This assessment is correct. . . . The potential market participants include a wide array of possible entrants: interexchange carriers; wireless carriers; cable companies; competitive access providers; and electric utilities. The needs and target markets of such varied entrants will . . . likely be different. No single rule will encompass these variations unless it is broadly written and flexibly applied. When consideration is given to the pace of technological change in the industry, the inadequacy of specific rules becomes even more pronounced.[9]

The Commission should heed this warning. Overly detailed rules would stifle, rather than ensure, the most efficient interconnection arrangements.

B. Ameritech Has Negotiated, And Continues To Negotiate, In Good Faith.

Since passage of the 1996 Act, Ameritech has successfully negotiated agreements with four different entities. Allegations that Ameritech failed to negotiate in good faith with

---

[9] New York Dep't of Pub. Serv. Comments at 18-19; see also ICC Comments at 20-21; Iowa Utils. Board Comments at 7-9; Public Serv. Comm'n of Wisconsin Comments at 4; Public Utils. Comm'n of Ohio ("PUCO") Comments at i-ii.

Time Warner in Ohio are distorted and inaccurate.[10] The Public Utilities Commission of Ohio ("PUCO") Staff, after investigating the negotiating positions of Ameritech Ohio and Time Warner, did not find any bad faith on Ameritech Ohio's part. Nor has the PUCO made any finding that Ameritech Ohio has engaged in bad faith negotiations. In fact, the PUCO Staff Evaluation, which was filed in Time Warner's complaint case against Ameritech Ohio, found that Ameritech Ohio had made a comprehensive proposal on every issue. In several areas, the PUCO Staff specifically found that Ameritech Ohio's proposal constituted reasonable efforts to compromise or accepted Ameritech Ohio's position.[11]

In sum, Time Warner's claim that "Ameritech simply will not agree on its own to reasonable terms for interconnection with competitors"[12] is simply false. Negotiations can and do succeed. Ameritech's recent agreement with MFS in all five Ameritech in-region states, including Ohio, and the other successful industry negotiations directly refute any claims that negotiations are bound to fail.

---

10 See Time Warner Comments at 9-10, 18; TCI Comments at 21.

11 See PUCO Staff Evaluation, Case No. 96-66-TP-CSS, filed Feb. 21, 1996, at 10, 17, 21 (finding that Ameritech had engaged in reasonable negotiations with respect to compensation, transit traffic, and access charge allocation).

12 See Time Warner Objections to Ameritech Ohio May 15, 1996 Tariff, Case No. 06-66-TP-CSS, filed May 22, 1996.

III. LOCAL LOOP TRANSMISSION, LOCAL SWITCHING, LOCAL TRANSPORT, SS7 CALL SET UP, LIDB, AND 800 DATABASE ARE THE CORE NETWORK ELEMENTS.

The federal core set of network elements should include those elements that are being provided by an incumbent LEC and used by one or more competing carriers in the provision of a telecommunications service, and any additional network elements that are required to be offered on a general basis by the competitive checklist.[13] As discussed in Ameritech's Comments, the analysis required by the 1996 Act involves a determination of whether: (i) the requested element fits within the statutory definition of "network element"; (ii) it meets the "necessary" or "impair" standard of section 251(d)(2); and (iii) unbundled access is technically feasible, as required by section 251(c)(3).[14]

A. The General Consensus Supports The Core Set Of Network Elements Proposed By Ameritech.

The consensus of commenting parties agrees with Ameritech and specifically endorses adoption of the four categories of network elements listed by the Commission in paragraph 93 of the *NPRM* -- loops, local transport, switches, and signaling and databases -- because they meet the above standard. Specif-

---

[13] See Ameritech Comments at 34.

[14] See id. at 31-34.

ically, Ameritech proposes that the core set of network elements consist of:

1. local loop transmission from the main distributing frame (or its equivalent) to the network interface on the customer's premises;

2. local transport consistent with the Commission's Expanded Interconnection requirements;

3. local switching separate from transport, local loops, and other services;

4. System Signaling 7 ("SS7") call set-up for routing and transmission of telecommunications traffic via the signal transfer point ("STP");

5. 800 database used for call set-up and routing accessed through SS7; and

6. Line Information Database ("LIDB") used for online billing verification for calling card calls accessed through SS7.[15]

Many parties concur that these core network elements are already being used to provide competing telecommunications services and, as such, are known to be technically feasible.[16]

Moreover, MFS, negotiating on its own accord based on its practical experience providing competitive local service, has

---

[15] See id. at 31-51. Access to numbers, directory assistance, operator services, and directory listings, which some parties confuse with network elements, is required to be made available under other sections of the 1996 Act.

[16] See, e.g., Ad Hoc Telecommunications Users Committee ("Ad Hoc") Comments at 21-25; Iowa Utils. Board Appendix B; MFS Comments at 42-48; NCTA Comments at 35-37; Sprint Corp. ("Sprint") Comments at 30-39; Teleport Comments at 34; Time Warner Comments at 46; USTA Comments at 20-36.

agreed to the same core list of network elements in its comprehensive interconnection agreement with Ameritech. MFS could have demanded a more exhaustive set of network elements and forced the negotiations into arbitration if Ameritech disagreed. That MFS -- a major facilities-based provider of competitive local service -- found this set sufficient constitutes additional persuasive evidence that these elements should comprise the federal core set of network elements. Beyond this list, as MFS agreed, further unbundling of network elements should be subject to a bona fide request process.[17] The Commission should adopt the same approach.

B. Additional Unbundling Should Be Developed Through The Section 252 Negotiation Process.

Several parties, however, propose that the Commission mandate universal deployment of numerous additional unbundled network elements. These requests should be denied for two reasons. First, these demands for excessively detailed, nationwide unbundling, do not meet the "impairment" test of section 251(d). None of the parties explain why these extraordinary unbundling requests are needed to promote facilities-based competition. Nor does the record demonstrate any need. In fact,

---

[17] For a discussion of a similar request process, see USTA Comments at 13-16. Also, this process is expressly provided for in the agreements with MFS, as filed with the Illinois and Michigan commissions on May 28, 1996. See Exhibit A, "Network Element Bona Fide Request," to Interconnection Agreement, dated May 17, 1996, between Ameritech and MFS.

the experience of existing facilities-based competitors demonstrates that such extraordinary unbundling is not necessary.

Second, these proposals are not technically feasible on a nationwide basis. The comments of numerous parties demonstrate the significant technical, operational, and administrative issues related to each of these proposals. There are real, practical implementation issues that the requesting parties choose to ignore. Although Ameritech acknowledges that, under certain circumstances, some of these proposals will be technically feasible, it is clear that such requests, unlike the core requirements proposed by Ameritech, are not universally technically feasible and, therefore, cannot be mandated.[18] Claims to the contrary are based merely upon theoretical arguments and speculation; they are wholly unsubstantiated.[19]

Indeed, what is most significant is that, notwithstanding that several states have thoroughly considered unbundling requirements, not one has mandated the kind of excessive unbundling sought by AT&T, MCI, and others. All of those states

---

[18] As noted by Bell Atlantic, access to subelements has never been tried in the real world. See Bell Atlantic Comments at 23-24, Decl. of Raymond F. Albers at 10.

[19] For example, although the Justice Department suggests that subloop unbundling should be mandated as part of the federal core set of network elements, it nevertheless admits that it does not possess the technical expertise necessary for assessing whether subloop unbundling is, in fact, technically feasible. See DOJ Comments at 21.

-- including the Illinois, Michigan, and New York commissions -- with substantial unbundling experience agree that the federal core should be limited to the network elements listed above.[20] They propose that access to elements beyond those listed should be developed through the negotiation process under section 252.[21]

Sprint agrees that the core list should reflect local loops, local switching, local transport, SS7 at the STP, LIDB, and 800 database.[22] Sprint, however, opposes a blanket requirement for subloop unbundling, unbundling of advanced switch features, "local switch platform," SS7 access at points other than the STP, and access to advanced intelligent networks ("AIN") at other than the Service Management Systems.[23] In contrast, the

---

20 See ICC Comments at 39 (loops and ports at a minimum, with further unbundling provided upon bona fide request, unless further unbundling is not technically or economically practical); MPSC Staff Comments at 11-12 (ports and more critically loops, LIDB, and 800 database with proposals for subloop or other unbundling requests addressed according to the procedures set forth in section 252 of the 1996 Act); New York Dep't of Pub. Serv. Comments at 25-26, 29 ("[L]oops, switches, transport facilities, and signaling databases . . . are consistent with New York's practices and parallel our own unbundling actions," and additional requests should be handled through "customer-directed unbundling . . . augmented by rapid processes for dealing effectively and rapidly with unmet or unrealized requests.").

21 See ICC Comments at 36; MPSC Staff Comments at 8, 11; New York Dep't of Pub. Serv. Comments at 26-30.

22 See Sprint Comments at 30-42.

23 Id. at 31, 36, 37-38, 40-41.

overreaching demands of AT&T and MCI reflect an incentive to hinder interexchange competition more than any competitive need. Their "minimum" would impose national requirements that are unnecessary, expensive, and time consuming without concrete benefits to promoting local competition. These demands are aimed more at delaying additional interexchange competition, rather than entering the local segment. Such a result, however, would frustrate Congress's intent to promote competition in all segments of the telecommunications marketplace. For these reasons, the Commission should place far more weight on comments from facilities-based competitors who have marketplace experience.

Ameritech has already explained in its Comments why logical unbundling of switches, access to call processing, access to SS7 other than through the STP, and access to databases other than LIDB and 800 should not be mandated as part of the federal core set of network elements.[24] Ameritech will not repeat those arguments here, but will instead address new issues regarding subloop unbundling and access to administrative databases, service control points ("SCP"), and AIN.

1. Subloop Unbundling Should Not Be Mandated On A Nationwide Basis.

The comments demonstrate that subloop unbundling raises significant technical, operational, administrative, cost, and

---

[24] See Ameritech Comments at 46-51.

demand issues, none of which are resolved. Although some forms of subloop unbundling may prove technically feasible, in the absence of specific requests, there is no way to know which are technically feasible or if competitors would be impaired in their ability to provide a telecommunications service if they could only lease loops, but not subloops. It should be emphasized that MFS saw no need to demand subloop unbundling in its interconnection negotiations. Moreover, despite establishment of a bona fide request process for subloop unbundling mandated by the ICC more than a year ago, neither MFS nor any other competitor has requested such subloop unbundling.

Given the numerous unresolved operational issues,[25] the unknown expense of providing and absence of a basic need for subloops, any actual demand for subloop unbundling will be very limited in scope and is simply better handled through individual requests. The Commission therefore should merely require that incumbent LECs address specific requests for subloop unbundling pursuant to the section 252 negotiation process.

---

[25] See id. at 40-41 and attachment. Ameritech agrees with MFS that there are different types of loops with different transmission capacities. See MFS Comments at 65-67 (proposing five categories of loops). Loops with different transmission capabilities would each constitute a network element. This, however, in no way implies that these different loops can be chopped up into subelements.

AT&T's position that subloop unbundling at the loop distribution, loop feeder, and loop concentrator/multiplexer is technically feasible is based upon nothing more than the unsupported assertion that because loop facilities are interconnected at these points "using standard industry technical specifications and systems . . . there is no question that such unbundling is technically feasible where ALECs employ equipment that adheres to such standards and interface with the ILEC through compatible systems."[26] As the comments of many other parties, including Ameritech and progressive state commissions, recognize, there are many unresolved technical, administrative, operational, and cost issues associated with each of these alleged elements, even if standard interfaces are used.[27] Contrary to AT&T's claim, an interface, even if standard, is not the sole determining factor of technical feasibility.

---

[26] AT&T Comments at 19. Similarly, MCI speculates that it is "not a problem to unbundle each of these subelements [same as AT&T's] of the Local Loop. . . . ILECs construct their networks by connecting these subelements." MCI Comments at 16. MCI ignores the fact that the loop facilities were designed to be one integrated system with one set of interconnections, as well as a host of other technical, operational, administrative, and cost issues that must be addressed. See, e.g., Ameritech Comments at 39-42; Sprint Comments at 31.

[27] See Ameritech Comments at 39-42; Bell Atlantic Comments at 23-24; NYNEX Comments at 67-69; SBC Communications, Inc. Comments at 39; Pacific Telesis Group Comments at 53; U.S. West, Inc. Comments at 50-53; see also ICC Comments at 39.